



MCI Communications
Corporation

1801 Pennsylvania Ave., NW
Washington, DC 20006
202 887 2048

Leonard S. Sawicki
Senior Manager
Regulatory Affairs

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June 22, 1994

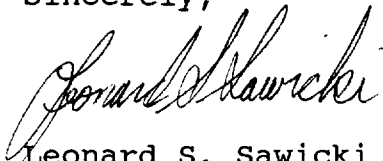
Mr. William F. Caton
Secretary
Federal Communications Commission
Room 222
1919 M Street NW
Washington, D.C. 20554

Re: CC Docket No. 92-90

Dear Mr. Caton:

Today, Jane King, Wade Wallace and I met with Suzanne Hutchings of the Common Carrier Bureau. We discussed MCI's interest in this proceeding and expressed our support for the petition for reconsideration filed by the Direct Marketing Association. We reviewed MCI's "do not call" procedures and suggested that the FCC should consider the high volume of telephone number changes in the industry as it considers modifications to its policies.

Sincerely,



Leonard S. Sawicki

Attachments

cc: Ms. Hutchings

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**MCI Telecommunications
Corporation**

1200 South Hayes Street
Arlington, Virginia 22202
703 415 6691
703 415 7124 FAX

Angela Dunlap
President
Consumer Markets

June 20, 1994

Mr. Jim Daley
Subcommittee on Telecommunications and Finance
U.S. House of Representatives
Room H2-316
Ford House Office Building
Washington, DC 20515-6119

Via Facsimile

Dear Mr. Daley,

This letter is in response to our telephone discussion of Monday, June 10. You asked at that time about MCI's current policies and procedures to assure compliance with the Telephone Consumer Protection Act (TCPA) and the corresponding FCC Rules. You also asked about: two surveys in 1993 and 1994 editions of "Telemarketing" magazine; our total of outbound "billable minutes" for the past year; and the turnover rate of telemarketing representatives. I understand from Liz Hogan, of our government affairs staff, that your question regarding turnover pertains to the entire telemarketing industry.

I am always pleased to describe MCI's telemarketing practices, because I believe that MCI sets the standard for the industry. We take pride in our well trained, skillful telemarketing representatives.

I would like to give you an important example of our leadership in the telemarketing of long distance services. Three years ago, MCI helped to establish a very effective method for confirming consumer authorization of a change in long distance carrier resulting from a telemarketing sale. This method, known as third party verification, was approved as the accepted verification practice in a Federal Communications Commission Order that went into effect in April, 1992.

June 20, 1994
Mr. Jim Daley
Page 2

MCI's third party verification is conducted by DialAmerica, a company completely independent of MCI. A DialAmerica representative contacts our prospective new customer after every MCI telemarketing sale has been completed. The DialAmerica representative questions the consumer to make sure that he or she is the decisionmaker in the household and understands that service will be switched from a competitor to MCI. DialAmerica terminates any sales in which consumers indicate any confusion or uncertainty.

In the spirit of committing ourselves wholeheartedly to the highest standards, we carefully planned for thoroughgoing compliance with the TCPA rules prior to their December, 1992 effective date. As you know, last September Gerald Taylor, my predecessor as president of Consumer Markets and current president and chief operating officer of MCI, responded in detail to a series of questions posed by Congressman Markey about MCI's implementation of the TCPA and the FCC Rules. He described the history of MCI's "do not call" database, and outlined the measures we have taken to adhere to the provisions of the TCPA.

MCI Consumer Markets, the residential services division of MCI, continues to be responsible for maintenance of the do not call database required by TCPA. As Jerry Taylor's letter of September 23, 1993 states, all of our sales associates and customer service representatives are carefully trained to handle these requests. Our do not call guidelines are conspicuously posted in all of our marketing and customer service centers. As the letter also indicates, we incorporate into our do not call database the lists required by the state laws of Florida and Oregon, and the Telephone Preference Service listing compiled by the Direct Marketing Association.

In recent months, we have conducted an audit of our training materials and data systems to assure that compliance with TCPA continues to receive the careful attention of all MCI employees who have responsibility for responding to requests or for maintaining an accurate list. All new employees are instructed to observe the TCPA requirements and we require that they sign an acknowledgement that they understand our TCPA guidelines.

June 20, 1994
Mr. Jim Daley
Page 3

In order to respond to your question regarding the 1993 and 1994 "Telemarketing" magazine survey, we checked the April 1994 issue of the magazine. MCI is not included in this year's survey because we no longer accept any outside clients, the calls for whom have represented only a very minor fraction of our telemarketing. With the exception of some small contracts due to expire in October, MCI conducts telemarketing only for MCI products and services, and thus does not fall into the magazine's category of "service agencies".

You also asked about the total number of our "billable minutes" of telemarketing for the past year. Though we view that information as proprietary, we are pleased to report that Consumer Markets employs approximately 8,000 people in our eight telemarketing centers across the country. In several communities, we are one of the major employers.

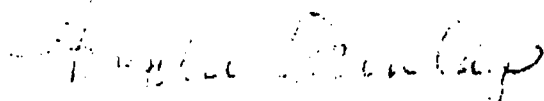
We have not been able to identify an organization that may be able to specify the rate of turnover of telemarketing representatives in the industry. The Direct Marketing Association does not have a figure. We will, however, continue to seek an answer to your question and report back to you should we discover a reliable source for that data.

Through telemarketing, MCI has reduced the cost of long distance calling by opening up competition in the long distance industry. We recognize, however, the importance of observing national and state laws governing telemarketing, and insist that our employees scrupulously observe these laws. Recently we made a short film, "MCI, Setting Telemarketing Standards", to demonstrate our telemarketing practices. I am enclosing this film for your review.

June 20, 1994
Mr. Jim Daley
Page 4

I appreciate Congressman Markey's concern that all American companies fully comply with the provisions of the Telephone Consumer Protection Act, and am happy to respond to any further questions. Please contact us at any time that we may offer any assistance.

Sincerely,

A handwritten signature in cursive script, appearing to read "Angela Dunlap".

Angela Dunlap

cc: Gerald H. Taylor

**MCI Telecommunications
Corporation**

1100 South Hayes Street
Arlington, Virginia 22202
703 415 6333

David H. Taylor
Vice President
Consumer Markets

September 23, 1993

The Honorable Edward J. Markey
Chair, Subcommittee on Telecommunications and Finance
Committee on Energy and Commerce
U.S. House of Representatives
Room H2-316
Ford House Office Building
Washington, D.C. 20515-6119

Dear Representative Markey:

I am writing in response to your questions and request for information regarding MCI's compliance with the Telephone Consumer Protection Act of 1991 (TCPA) and the corresponding FCC Rules. We welcome the opportunity to outline for the Telecommunications and Finance Subcommittee MCI's procedures for assuring full compliance. The following are the specific responses to your inquiry:

1. Does your organization maintain a "do-not-call" list? When was it instituted? Who is responsible for maintaining such a list?

Yes, MCI maintains a "do-not-call" list. MCI instituted a company-specific "do-not-call" list in the mid-1980s and brought it into full compliance with TCPA effective December 20, 1992. MCI Consumer Markets, MCI's residential services division, is responsible for maintaining the "do-not-call" list on behalf of MCI.

2. What mechanisms to collect telephone subscriber data for this "do-not-call" list do you have in place? How does one go about requesting to be put on your "do-not-call" list? Once a request is made, what steps are taken by your organization to ensure that the requesting party is not called again in the future?

Most MCI employees in a position to receive a no-call request are able to enter the appropriate information directly into the database. All others ~~refer~~ the requests for addition to the database by way of electronic mail. Data entered into the "no-call" database is incorporated into all applicable marketing databases within ten days. The ten day period allows MCI adequate time to update all relevant data files so that no further calls will be made to those who have asked not to receive them.

MCI telemarketing sales and customer service representatives respond to any consumers who indicate, in any manner, that they do not wish to be called by placing their names on the "do-not-call" list. Consumers need not be aware of TCPA or the "do-not-call" database to be placed on the list. Listing on the "do-not-call" database is permanent unless the basic identifying data (name and telephone number) is no longer accurate because of a move, change in name or disconnection of service.

The permanent "do-not-call" database is routinely matched with all telemarketing databases, both customer and non-customer, to assure that do-not-call ANIs are deleted for use for solicitation.

3. When and how are your employees educated with regard to the list? Please provide the Subcommittee with any training materials or scripts used as part of the education process.

MCI's telemarketing and customer service personnel were carefully trained to respond to all requirements of TCPA prior to its effective date, December 20, 1992. All new personnel receive the same training. Each telemarketing or customer service representative receives a classroom briefing and a follow-up memo outlining MCI's "do-not-call" guidelines and their purpose. All employees who are responsible for fulfilling the guidelines are asked to sign an acknowledgement that they understand the guidelines and their importance. To serve as reminders, large posters with MCI's Do Not Call List Guidelines are highly visible around MCI telemarketing and customer service centers. (Please see enclosure).

4. If your telemarketing operations are not centrally located, how does your organization ensure that all of your offices do not call the individuals on the "do-not-call" list?

Regardless of source, after new "do-not-call" requests have been entered into the database, updates are transmitted to all MCI centers for immediate match with marketing databases so that the appropriate ANIs can be deleted from marketing files. The field sales centers maintain a file of all "do-not-call" ANIs.

5. Currently, how many names do you have on your "do-not-call" list? How do you ensure that the list is completely up-to-date?

Since December 20, 1992, MCI has added 170,988 names to the "do-not-call" database specifically in response to the requirements of TCPA. Additionally, MCI maintains a substantially larger list of ANIs that are "suppressed" from marketing files for a variety of business and marketing reasons, and in response to consumer requests prior to the effective date of TCPA. MCI also routinely

incorporates into its no-call database the no-call lists required by Florida and Oregon state laws and the Telephone Preference Service compiled by the Direct Marketing Association. The do-not-call database fulfilling TCPA requirements is updated every 24 hours.

6. Please provide the Subcommittee with your written policy, as required by FCC regulations, for maintaining a "do-not-call" list. Also indicate the date this policy was drafted and went into effect.

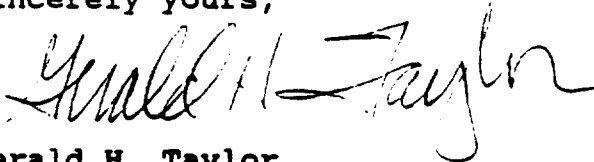
See enclosure. The policy was drafted December 4, 1992 and went into effect on December 20, 1992.

7. Please provide the Subcommittee with any additional information you feel would be helpful in showing your compliance with the TCPA.

MCI frequently reviews all of the data collection and retrieval processes involved in implementation of do-not-call requirements to refine the efficiency and completeness of our response to consumer requests to be added the list. MCI also includes compliance with TCPA as a performance standard when we monitor our representatives as they conduct business with consumers. All of our centers remind our employees who have contact with consumers that fulfilling no-call requirements is an extremely high priority for MCI.

We recognize the importance of honoring the TCPA. While telemarketing provides a valued benefit for millions of Americans, some consumers view such calls as an annoyance. To protect consumers who do not wish to receive telemarketing calls and solicitations, MCI has voluntarily maintained a "do-not-call" file as a matter of company policy. We therefore completely understand and support the no-call provisions of TCPA, and thank you for this opportunity to demonstrate our compliance.

Sincerely yours,



Gerald H. Taylor

GHT:lp

Enclosure